

THE KNIGHT INVESTMENT COMPANY

The Knight Investment Company was the parent organization of the vast Knight interests in early Utah mining, power and agricultural history and was formed by Jesse Knight of Provo, in whose activities center one of the fascinating chapters of Utah history.

First Company Organized

The Company was organized September 10, 1906 primarily to develop mining claims in the Tintic mining district which Mr. Knight had discovered, as well as a few in the Park City area.

Mr. Knight headed the organization with 66,334 of the total 100,000 shares. Amanda M. Knight, Vice-President, had 33,166 and each of the following owned 100 shares each: W. Lester Mangum, Secretary and Treasurer; J. William Knight, Iona Knight, Inez Allen and Jacob Evans.

In addition to mining, the articles of incorporation provided for general merchandising, farming, ranching, building, livestock, buying and selling real estate, acquiring water rights for irrigation and power purposes, constructing power plants and electric light distribution systems. Provo was the principal place of business and life of the corporation was set at 100 years.

Mining is Primary Purpose

Although the articles of incorporation mentioned development of power business this Company in the beginning had no such intention and subsequent development of the Knight Power Company and the Knight Consolidated Power Company resulted from a necessity to supply power to the mining properties.

Power Purchased From Others

The Investment Company had opened mines in the Tintic district on an ore body which Mr. Knight had found and had set up its own smelter at Silver City. In 1908 the Utah County Light & Power Company of American Fork built a 42 mile transmission line to their property. The same year the Telluride Power Company of Provo was also given a contract for power as assurance against interruption of operation due to power failure.

More Power Needed

After the Tintic smelter had operated a short time however, it became evident that an additional source of emergency power was needed, and, accordingly, the work of investigating two sites in Santaquin Canyon was commenced in the fall of 1908. Construction work was started on one of them during March, 1909, and both the plant and a transmission line connecting it with the Tintic district were completed and ready for operation eleven months later. Mr. Knight announced that he had no intention of lighting cities or competing with other power companies, it being his desire to supply power for his own enterprises. The new plant would not generate enough power to operate all of the Knight mines in the Tintic district but it would lessen the amount they were paying for power and would be added insurance against any interruption due to power failure.

Smelter Shut Down

During the summer of 1909, after construction work on the Santaquin plant was well under way and after all material orders had been placed, it was decided to close the Tintic smelter. This left an excess of power in Tintic, as Knight interests were required under the minimum clause provision of their contracts to purchase more power than

the mines alone required. As a result, the Santaquin plant was not started for several months after it could have been placed in regular operation.

Needs At Park City

When the contracts were let to the Utah County Light & Power Company and the Telluride Power Company in 1908 the Knight Investment Company had not thought of supplying its own power or of entering the power business. The Utah County organization had received a five year contract, expiring August 1, 1913, while the Telluride Power Company's contract terminated January 1, 1910. In the meantime, however, the Knight Investment Company had been active in the Park City district, and by 1910, through a series of circumstances, (See Snake Creek Power Company) had built a power plant in that area and was beginning construction work on another.

Mill Creek Investigated

Soon after work was commenced on this plant, later known as the Murdock plant, steps were taken to segregate and incorporate the Knight Investment Company's power holdings. While the articles of incorporation were being prepared, they were invited to look over the holdings of the Mill Creek Power Company near Salt Lake City which was supplying the Salt Lake Pressed Brick Company and which had just received a five-year contract to furnish power to the U. S. Smelter at Midvale. The Mill Creek people were beginning work on a new plant to supply this load.

As a result of the investigation the Mill Creek Power Company was included in the proposed new company and the Knight Power Company was formed. Jesse Knight had entered the power business although he didn't realize it at this time.

On June 2, 1910, The Knight Investment Company conveyed its properties to the Knight Power Company.

SNAKE CREEK POWER COMPANY

In 1907, Joseph R. Murdock and several of the leading citizens of Heber City made plans to build a power plant on Snake Creek about half way between Park City and Heber City, utilizing water rights belonging to the Wasatch Development Company and Mr. Murdock.

As the Knight Investment Company was working several prospects in the Park City mining area at this time it was natural that the new company received not only the moral support of the Knight interests but some financial backing. The Knights realized that sooner or later their mining property would require power.

The venture of the Heber City people crashed in the panic of 1907-08, when they were unable to finance their project.

Knight Buys Snake Creek Property

However, during the summer of 1908 and the winter of 1908-09 the Knight Investment Company gave the general situation in Park City some attention. The district was one of the rich silver mining areas of Utah and Park City was a booming mining town. The Knight properties looked promising. After considering all engineering and commercial conditions the Company decided that the Snake Creek development was entirely justified.

Control of the power plant property was acquired and the Snake Creek Power Company was incorporated January 9, 1909 with Jesse Knight, President; Joseph R. Murdock, Vice-President; R. E. Allen, Secretary, and James C. Jensen, Treasurer, who with W. Lester Mangum, J. William Knight, Moroni A. Smith and Wilford Van Wagenen constituted the Board of Directors.

Capitalization was set at \$100,000, in shares of \$10 par value, of which Mr. Knight owned \$62,680 and 104 stockholders the remainder.

Snake Creek Plant Completed

The plant was completed March 1, 1910, with a capacity of 1180 KW but because of the delay in developing the project the Company did not serve Heber City and surrounding towns, the reason being that in the meantime Heber City had constructed a plant of its own. The output of the Snake Creek plant was converted to the Park City mining district and an 11,000 volt line was constructed for transmission. The mines soon absorbed the entire output.

Murdock Site Surveyed

In the summer of 1909 and the winter of 1909-10 a thorough canvass of the Park City district was made and it became evident that the Snake Creek plant alone could not meet the requirements. Accordingly the Knight Investment Company started construction work on one of its Provo River sites in May, 1910, which was to become the Murdock plant.

It must be remembered that, although the Snake Creek Power Company was a separate corporation, it was financed and interwoven with the Knight Investment Company, which at this time was operating a plant at Santaquin to supply power to the mines and smelter in the Tintic district.

Snake Creek Company Absorbed

Soon after work was commenced on the Murdock plant, steps were taken by the Knights to set their power business up in a separate corporation from the mining interests. Events were moving rapidly. While articles of incorporation were being prepared for the Knight Power Company, officers were invited to investigate the holdings of the Mill Creek Power Company near Salt Lake City.

The history of the Snake Creek Power Company ended in June, 1910, with its being absorbed by the Knight Power Company, along with the Mill Creek Power Company and the power holdings of the Knight Investment Company. It remained for the Knight Power Company to finish the Murdock plant.